



Rod R. Blagojevich, Governor
Barry S. Maram, Director

Illinois Department of Public Aid

201 South Grand Avenue East
Springfield, Illinois 62763-0001

Telephone: (217) 782-1200
TTY: (800) 526-5812

February 10, 2005

INFORMATIONAL NOTICE

TO: Participating Medical Assistance Pharmacy Providers

RE: State Maximum Allowable Cost Program for Multi-Source Prescription Drugs

In an effort to improve its State Maximum Allowable Cost (State MAC) program, the Illinois Department of Public Aid (Department) has contracted with Myers and Stauffer LC, a national consulting firm, to provide assistance in establishing and maintaining the State MAC list for multi-source prescription drugs. Myers and Stauffer has over 25 years of pharmacy consulting experience to Medicaid programs nationwide.

One of the goals of the state's contract with Myers and Stauffer is to improve the MAC program by bringing more consistency, openness and accuracy to the process. The Department, along with Myers and Stauffer, is aware of the importance of setting MAC rates such that economic and efficient pharmacies are capable of purchasing drugs at or below the State MAC rate. To achieve this goal, Myers and Stauffer will be monitoring the marketplace and may request documentation from your pharmacy of recent drug purchases in the form of copies of invoices or electronic means. The Department strongly encourages participation in this endeavor in order to ensure that rates accurately reflect the pharmaceutical marketplace in Illinois.

As new MAC rates are developed, the rates will be posted at www.msllinois.com approximately two weeks prior to implementation. The first set of rates was posted on February 10, 2005 with an effective date of March 1, 2005.

To facilitate the efficient delivery of State MAC services, and to serve the pharmacy providers of Illinois through this project, Myers and Stauffer has established several modes of communication. Pharmacy providers can access information regarding the State MAC program, including a list of the State MAC rates, via the Internet at www.mslcillinois.com. In addition, providers are encouraged to contact the Myers and Stauffer Pharmacy Unit helpdesk to discuss questions regarding the State MAC rates, drugs on the State MAC rate list, changes in your ability to purchase drugs at or below the applicable State MAC rate, changes in product availability, or other questions, comments, or concerns about the State MAC list. Myers and Stauffer can be contacted weekdays between 7:00 A.M. and 4:00 P.M. (Central Standard Time) at the following:

**Myers and Stauffer LC
Pharmacy Unit**
9265 Counselors Row, Suite 200
Indianapolis, IN 46240

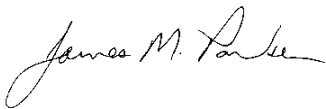
Phone: 800-591-1183
Fax: 317-571-8481
Email: pharmacy@mslc.com

Myers and Stauffer is a consultant providing rate research and analysis to the Department and is not a policy making arm of the State. Therefore, questions or concerns about program policy, prior approval or claims processing should continue to be directed to the Department.

The Department strongly encourages you to register to receive e-mail notification when the Department posts new pharmacy provider notices or revisions to the Preferred Drug List to the Department's web site. Providers wishing to receive e-mail notification when new provider notices have been posted may register at www.dpallinois.com/provrel/ or www.ildpa.com/provrel/. Providers wishing to receive e-mail notification when revisions to the Medicaid and SeniorCare Preferred Drug Lists have been posted may register at www.dpallinois.com/preferred/ or www.ildpa.com/preferred/.

Questions regarding this notice should be directed to the Department at 217-782-2570 or Myers and Stauffer at 800-591-1183.

Sincerely,



James M. Parker, Deputy Administrator
Division of Medical Programs